

**UNIVERSITY OF HOUSTON SYSTEM
ADMINISTRATIVE MEMORANDUM**

SECTION: General Administration

NUMBER: 01.C.09

AREA: Risk Management

SUBJECT: Tort Liability

1. PURPOSE

This document sets forth a policy for processing tort liability claims.

2. DEFINITIONS

Tort Liability Claim: Any claim arising as a result of an alleged wrongful act or negligence by the component university. This excludes injuries to component university employees while in the course and scope of employment, which would be considered a Workers' Compensation claim.

3. POLICY

- 3.1. Each component university shall designate one representative to receive and coordinate notice and information relative to tort claims.
- 3.2. All information gathered relative to an incident shall be reported by the component university representative to the System Director of Risk Management, with a copy to the System Office of General Counsel for appropriate action.

4. PROCEDURE

- 4.1. The component university representative shall be responsible for gathering the police report, a narrative of the incident, names and information about witnesses, medical information and any other relevant data. This information should be forwarded to the System Director of Risk Management within 24 hours of the incident. A Student/Visitor Accident Reporting Form (available at the Risk Management web site: http://www.uh.edu/af/riskmanagement/Student_Visitor_Accident.pdf) shall be included in the incident report, along with all available witness statements.
- 4.2. Upon notification of a tort claim, the System Director of Risk Management shall:
 - 4.2.1. Seek guidance, as appropriate, from the System Office of General Counsel in determining liability; and

- 4.2.2. Coordinate consultation involving the component university representative, General Counsel, the Senior Associate Vice Chancellor for Finance, and the Senior Vice Chancellor for Administration and Finance regarding whether, and to what extent, a settlement offer is appropriate.
- 4.3. Subsequent to the activities in Section 4.2 above, the System Director of Risk Management shall:
 - 4.3.1. Implement instructions received from the Senior Associate Vice Chancellor for Finance regarding contact with the claimant;
 - 4.3.2. Coordinate the filing of the claim with the appropriate insurance carrier and payment of damages with the component university representative, as directed by the Senior Associate Vice Chancellor for Finance;
 - 4.3.3. Generate and distribute an annual status report to each component university and the System Office of General Counsel. The component university representative will review the report for completeness and accuracy and notify the System Director of Risk Management of any discrepancies; and
 - 4.3.4. Settle uninsured claims up to \$10,000. Settlements in excess of \$10,000 but less than \$25,000 must be approved by the Associate Vice Chancellor for Finance and the System Office of General Counsel. Settlements in excess of \$25,000 must be approved by the Senior Vice Chancellor for Administration and Finance and the System Office of General Counsel. All agreements relating to settlement of claims, regardless of amount, must be reviewed and approved by the System Office of General Counsel prior to execution by the parties.
- 4.4. The authority to settle uninsured claims is as follows:
 - 4.4.1. Uninsured claims up to \$10,000 may be approved by the System Director of Risk Management and component university officials;
 - 4.4.2. Uninsured claims in excess of \$10,000 but less than \$25,000 must be approved by the Senior Associate Vice Chancellor for Finance and the System Office of General Counsel;
 - 4.4.3. Uninsured claims in excess of \$25,000 must be approved by the Senior Vice Chancellor for Administration and Finance and the System Office of General Counsel; and

4.4.4. All agreements relating to settlement of claims, regardless of amount and regardless of form (oral, letter agreement, invoice, etc.) must be reviewed and approved by the System Office of General Counsel prior to execution by the parties.

4.5. In the event a claimant is represented by an attorney, all activities from that point forward, including activities set forth in Sections 4.1 through 4.3 above, shall be conducted under the direction of the System Office of General Counsel.

5. REVIEW AND RESPONSIBILITY

Responsible Party: Senior Associate Vice Chancellor for Finance

Review: Every three years on or before June 1

6. APPROVAL

Approved: Jim McShan
Senior Vice Chancellor for Administration and Finance

Renu Khator
Chancellor

Date: February 23, 2017

REVISION LOG

Revision Number	Approval Date	Description of Changes
1	04/20/1995	Initial version
2	10/11/2001	Applied revised SAM template. Added Section 2, Definitions. Changed Section 3, Policy to current operating requirements. Changed responsible party from Vice Chancellor for Administration and Finance to Associate Vice Chancellor for Administration. Changed review period from annually on or before May 1 st to every two years on or before March 1 st . Added Vice Chancellor for Administration and Finance to approval process in Section 6

Revision Number	Approval Date	Description of Changes
3	06/20/2005	Applied revised SAM template. SAM 01.C.09 was updated to provide Exhibits A and B, which enables the component universities to capture information from the claimant regarding the tort claim. Changed responsible party from Associate Vice Chancellor for Administration to Associate Vice Chancellor for Plant Operations. Changed the review period from every two years on or before March 1 st to every three years on or before March 1 st
4	06/22/2011	Applied revised SAM template and new Revision Log. Changed responsibility titles per current operating requirements. Replaced the document and web link in Section 4.1 to become the Student/Visitor Accident Reporting Form per current operating requirements. The responsible party changed from the AVC for Plant Operations to the AVC for Finance throughout the document. The review period changed from March 1 st to June 1 st
5	02/23/2017	Updated links and titles as applicable. No additional changes were made by the Subject Matter Experts (SMEs)